



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON

COMMISSIONER

BULLETIN 2019-03

TO: ALL HEALTH INSURANCE ISSUERS, HEALTH MAINTENANCE ORGANIZATIONS, LOUISIANA HEALTH INSURANCE CONSUMERS, CONSUMER REPRESENTATIVES, AND OTHER STAKEHOLDERS

FROM: JAMES J. DONELON, COMMISSIONER

RE: REQUEST FOR INFORMATION FROM ALL INTERESTED PARTIES REGARDING LOUISIANA GUARANTEED BENEFITS POOL TO BE ESTABLISHED PURSUANT TO ACT 412 OF THE 2019 LEGISLATIVE SESSION

DATE: August 29, 2019

The purpose of Bulletin No. 2019-03 is to solicit input regarding the establishment of the Louisiana Guaranteed Benefits Pool, “a risk-sharing program to provide payment to health insurance issuers for claims for healthcare services provided to eligible individuals with expected high healthcare costs for the purpose of lowering premiums for health insurance coverage offered in the individual market” (Act 412 of the 2019 Legislative Session, pg. 8, lines 16-19). Act 412 established a set of requirements for non-grandfathered individual and small-group health insurance effective in the event that 1) the Patient Protection and Affordable Care Act of 2010 (ACA) is ruled unconstitutional and 2) adequate funding remains to replace the ACA’s current tax credit structure.

As a component of that second requirement, Act 412 established the “Louisiana Guaranteed Benefits Pool Act” to charge LDI with researching, developing, proposing, and ultimately establishing a risk-sharing program to lower premiums for high-risk insureds in the individual market. To assist in its duties under Act 412, LDI has engaged the actuarial firm Lewis and Ellis to conduct an actuarial analysis of the program or programs it develops pursuant to Act 412. This analysis will be included in a report submitted to the Joint Legislative Committee on the Budget on or before March 1, 2020. This bulletin is LDI’s notice that it seeks input from interested parties regarding both existing risk-sharing program proposals – i.e. the “Maine Model” involving establishment of an invisible high-risk pool – as well as additional program proposals that stakeholders would like LDI to include in its analysis.

Respondents are invited to provide any information they believe relevant and useful in the format of their choosing. To help structure responses, however, LDI has developed the following set of questions that it believes to be particularly useful in informing the Act 412 analysis:

1. Please briefly describe the program you wish LDI to consider in its Act 412 analysis.
 - a. Has this program been tried, proposed, discussed, or examined by any other state?
 - b. Is there any particular program information which you would recommend LDI examine as part of its analysis?
2. One program that has been subject of significant discussion throughout the drafting and passage of Act 412 is the "Maine Model" in which insureds either with one of a defined set of pre-existing conditions or with claim costs exceeding a pre-determined amount have some or all of their remaining claim cost covered by a state high-risk pool without changing their actual enrollment status, premium, or cost-sharing. Please provide any information you wish regarding this program.
3. Are there particular populations, costs, or other considerations you believe warrant special attention as part of LDI's analysis? Please describe any concerns or suggestions you have as they relate to specific programs, populations, or both.
4. Short of what may be considered a full "program" of health care cost reimbursement, are there any initiatives that could reduce high health care costs in the individual market that you wish for LDI to consider? Please provide any detail or materials you believe useful.
5. Is there any other information you wish to submit for consideration?

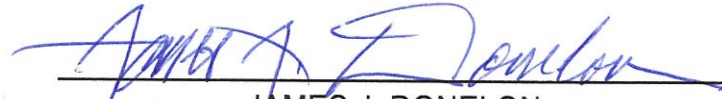
Submission Guidelines

Interested parties are asked to submit responses by October 31, 2019 to permit adequate consideration and incorporation into its actuarial analysis and report to the Legislature. Responses received after October 31, 2019 will be considered as possible under time constraints. Additionally, LDI notes that there is an expectation that the *Texas v. Azar* case, which is currently pending before the U.S. Court of Appeals for the

Fifth Circuit, may receive a ruling and opinion by the appellate court between the response window and the reporting deadline in 2020. In that event, respondents are welcome to amend or supplement their responses as necessary and LDI will incorporate that material as time and budget permit.

Respondents are asked to submit responses to frank.opelka@ldi.la.gov under the title: "Response to Act 412 Request for Information -- <Organization or Individual Name>".

Baton Rouge, Louisiana, this 29th day of August, 2019



JAMES J. DONELON
COMMISSIONER OF INSURANCE